

Message Text

UNCLASSIFIED

PAGE 01 TOKYO 09211 230803Z
ACTION EA-12

INFO OCT-01 ISO-00 EB-08 CIAE-00 COME-00 INR-10 LAB-04
NSAE-00 SP-02 STR-07 TRSE-00 FRB-01 OMB-01 L-03
/049 W

-----085003 231245Z /43

R 230749Z MAY 78
FM AMEMBASSY TOKYO
TO SECSTATE WASHDC 8132

UNCLAS TOKYO 09211

E.O. 11652: NA
TAGS: ETRD, JA
SUBJECT: U.S. EXPORT DEVELOPMENT MISSIONS TO JAPAN:
MACHINE TOOLS/AUTO PARTS: TOYOTA MOTOR COMPANY ANNOUNCES
PURCHASE OF U.S. MACHINE TOOLS AND PRESSES

REF: (A) TOKYO 07895, (B) TOKYO 07936

1. SUMMARY: TOYOTA MOTOR COMPANY ANNOUNCED THAT IT HAS
RECENTLY PURCHASED 1.5 BILLION YEN OF U.S. MACHINE TOOLS
AND PRESSES AND THAT THIS ORDER WILL BE FOLLOWED BY OTHER
PURCHASES. THERE ARE INDICATIONS THAT PERHAPS OTHER
JAPANESE AUTO MANUFACTURERS MAY FOLLOW THIS TREND,
ACQUIRING PRODUCTION MACHINERY AS WELL AS PARTS AND
COMPONENTS OVERSEAS. END SUMMARY.

2. ACCORDING TO LOCAL PRESS ARTICLE, EXECUTIVE DIRECTOR
MORI OF TOYOTA MOTOR COMPANY, ANNOUNCED THAT HIS COMPANY
HAS PURCHASED Y1.5 BILLION (ABOUT \$6.8 MILLION) OF U.S.
MACHINE TOOLS AND PRESSES TO BE DELIVERED TO JAPAN BY THE
END OF THIS YEAR. MR. MORI EXPLAINED THAT DUE TO BRISK
DOMESTIC AND OVERSEAS DEMAND, TOYOTA IS IN PROCESS OF EX-
PANDING ITS PRODUCTION CAPACITY AND THAT THIS PURCHASE
MARKS THE BEGINNING OF OTHER LARGE PURCHASES TO BE MADE
IN THE NEAR FUTURE. NEEDLESS TO SAY, THIS ANNOUNCEMENT
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 TOKYO 09211 230803Z

HAS CAUSED SOME NEGATIVE REACTIONS ON PART OF LOCAL MACHINE
TOOL BUILDERS AND PRESS MANUFACTURERS, WHO ARE APPREHENSIVE
THAT THIS PRECEDENT MAY BE FOLLOWED BY OTHER AUTO MANU-
FACTURERS. THE EQUIPMENT PURCHASED WHERE A) ONE 6,000
TON HOT FORGING PRESS FROM AJAX MANUFACTURING CO.; B) FOUR
COLD FORGING PRESSES FROM NATIONAL MACHINERY CO.; AND C)
TWENTY SETS OF GEAR-CURRING MACHINES FROM GLEASSON

WORKS, INC.

3. JAPANESE MACHINERY PRODUCERS FEEL THAT LOCAL AUTO MANUFACTURERS ARE BEGINNING TO THINK SERIOUSLY OF BUYING MORE U.S. MADE MACHINERY, AS WELL AS PARTS AND COMPONENTS, IN ORDER TO CALM CRITICISM FROM AMERICAN MACHINE TOOL BUILDERS. THE RECENT TOYOTA PURCHASE MIGHT BE INDICATIVE OF SUCH A DEVELOPMENT. BESIDES TOYOTA, NISSAN MOTORS APPEARS TO BE INCLINED TOWARD A SIMILAR DIRECTION AS BASED ON THE FOLLOWING: A) EXECUTIVE MANAGING DIRECTOR YANAZAKI OF NISSAN MOTORS, AS DEPUTY LEADER OF THE RECENT IMPORT PROMOTION MISSION TO THE U.S., MET WITH SEVERAL AMERICAN MACHINE TOOL MANUFACTURERS DURING HIS TRIP; AND B) NISSAN MOTORS RECENTLY ESTABLISHED A WHOLLY-OWNED SUBSIDIARY THAT WILL SPECIALIZE IN IMPORTING AUTO AND NON-AUTO PRODUCTS FROM ABROAD. (REFTEL A).

4. AS MEMBERS OF THE MACHINE TOOLS COMPONENT OF THE UPCOMING EXPORT DEVELOPMENT MISSIONS ARE BEING RECRUITED, POST SUGGESTS THAT SPECIAL ATTENTION SHOULD BE GIVEN TO U.S. MANUFACTURERS WHOSE PRODUCTS HAVE APPLICABILITY TO THE LARGE POTENTIAL AUTO MANUFACTURING MARKET IN JAPAN. ACCORDING TO THE JAPAN MACHINE TOOL IMPORTER'S ASSOCIATION, THE FOLLOWING EQUIPMENT SHOULD HAVE GOOD SALES POTENTIAL IN THE LOCAL AUTOMOTIVE INDUSTRY: GENERAL PURPOSE MACHINERY, GEAR-CUTTING MACHINERY AND GRINDING AND UNCLASSIFIED

UNCLASSIFIED

PAGE 03 TOKYO 09211 230803Z

FINISHING EQUIPMENT. MANSFIELD

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SALES, AUTOMOTIVE INDUSTRY, TRADE VISITS, TOOLS
Control Number: n/a
Copy: SINGLE
Draft Date: 23 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978TOKYO09211
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780217-0303
Format: TEL
From: TOKYO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780526/aaaaawhv.tel
Line Count: 95
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 4e744698-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 TOKYO 7895, 78 TOKYO 7936
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2596246
Secure: OPEN
Status: NATIVE
Subject: U.S. EXPORT DEVELOPMENT MISSIONS TO JAPAN: MACHINE TOOLS/AUTO PARTS: TOYOTA MOTOR COMPANY ANNOUNCES PURCHASE OF U.S. MACHINE TOOLS AND PRESSES
TAGS: ETRD, JA, US
To: STATE
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/4e744698-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014